

SMALL BUSINESS CAPITAL FORMATION Options and Requirements for Issuers

EXEMPT OFFERINGS

Type	Idaho Code Section	Limitation on offers/sales	\$ Limitation	Public Advertising Allowed	Prospectus Required	Department Filing Required	Filing Fee	SEC Filing Required	Special Conditions
Ten or Fewer Purchasers	30-14-202 (14)(a)	10 purchasers per 12 months	No	No	Yes **	No	None	Depends on SEC exemption claimed ***	1. No commissions 2. Purchasing for investment
Reg D Rule 505	30-14-203 & Rule 59	35 purchasers *	\$5.0 Million	No	Yes	Yes	None	Form D	Must qualify purchasers *
Reg D Rule 506	30-14-302(c) & Rule 53.02	35 purchasers *	No	No	No	Yes - by Notice Filing	\$50	Form D	Must qualify purchasers *
Small Mines	30-14-201 (10) & Rule 57	No	\$500,000	Yes	Yes	Yes	None	Depends on SEC exemption claimed ***	1. 80% of proceeds used in mining operations 2. Quarterly reports to Dept.

REGISTERED OFFERINGS

Registration by Qualification	30-14-304 & Rule 20.02	No	No	Yes	Yes	Yes	\$300	Rule 504 ***** - Yes Rule 147 ***** - Yes	1. Renew annually 2. Minimum proceeds impounded
SCOR ****	30-14-304 & Rule 20.02	No	\$1.0 Million	Yes	Yes	Yes	\$300	Rule 504 - Yes	1. Renew annually 2. Minimum proceeds impounded
Regulation A	30-14-304 & Rule 20.02	No	\$5.0 Million	Yes	Yes	Yes	\$300	Yes	1. Renew annually during offering period
Registration by Coordination	30-14-303 & Rule 20.01	No	No	Yes	Yes	Yes	\$300	Yes	1. Renew annually during offering period

Footnotes:

* Regulation D, Rules 505 and 506, limits the offering to 35 "non-accredited" purchasers. Under Rule 506, such purchasers must qualify as knowledgeable or sophisticated investors. Reg D also allows unlimited sales to "accredited" investors. Reg D defines non-institutional, "accredited" investors as those having net worth in excess of \$1.0 million or annual gross income of \$200,000.

** Depends on issuer's relationship with investors.

*** The availability of an SEC exemption depends on the circumstances of each offering.

**** Small Company Offering Registration (SCOR) is a special registration procedure available to certain small issuers.

***** SEC Rule 504 exempts offerings not exceeding \$1.0 million. The SEC requires the issuer to file a copy of Form D only.
SEC Rule 147 exempts intra-state offerings where all offerees reside in the state where the issue is domiciled.

FORMS AND ADDITIONAL INFORMATION ARE AVAILABLE ON THE DEPARTMENT'S INTERNET HOME PAGE AT: finance.idaho.gov